2011 "BUSHELS FOR CARE" GUIDELINES

"From This Land Grows a Gift"
OSF Holy Family Foundation

There are steps that need to be followed for you to receive the intended tax benefits from a gift of grain. Failure to follow these steps may result in the IRS treating the transaction as a sale by the farmer. The following steps should be taken to insure ownership of the gifted grain is transferred prior to the sale.

- Donors considering making a gift of grain are encouraged to consult their tax advisor and the Office of Development at OSF Holy Family Medical Center.
- Gifting grain to OSF Holy Family Foundation is a creative way to support quality healthcare in our community, while at the same time providing donors with favorable tax benefits. Gifts of grain may eliminate or avoid taxes yet retain 100 percent of the value for a charity. It's a "win-win" situation for everyone involved.
- Farmers may eliminate federal and state income taxes on their gift of grain, and they also may eliminate paying the 15.3 percent self-employment taxes on the income realized from the amount of grain gifted.
- Gifts of grain may be used to make outright gifts or gifts with reserved life income, such as gift annuities or charitable remainder unitrusts.

Steps to Make a Gift of Grain:

1. Donor contacts one of the following individuals at the OSF Holy Family Foundation to advise that a gift is being made. Send the Pledge Form to:
    a. Victoria Hennenfent, Planned Gift Coordinator, (309) 734-3141 ext. 360, victoria.hennenfent@osfhealthcare.org
    b. Dana Hall, Vice President Support Services, (309) 734-1505 or dana.l.hall@osfhealthcare.org
2. Donor delivers the grain to the grain elevator of choice or notifies elevator staff if the grain is in storage. If Pledge Form has not been sent to OSF Holy Family Medical Center the donor completes the "Letter from the Donor Regarding a Gift of Grain" form available at the elevator and sends to the OSF Holy Family Foundation, 1000 West Harlem Avenue, Monmouth, IL 61462.
    a. Donor requests the transfer of grain to the OSF Holy Family Foundation.*
    b. Elevator staff completes the warehouse or storage receipt and sends to the OSF Holy Family Foundation. NOTE: THE STORAGE RECEIPT IS EVIDENCE THAT OWNERSHIP OF THE GRAIN HAS BEEN TRANSFERRED FROM FARMER TO THE OSF HOLY FAMILY FOUNDATION.

* NOTE: THE DONOR SHOULD HAVE NO INVOVLMENT IN THE SALE OF THE COMMODITY OR DIRECTION OF THE INCOME ONCE THE OWNERSHIP HAS BEEN TRANSFERRED TO OSF HOLY FAMILY FOUNDATION.

2011 GUIDELINES (continued)

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3. The grain elevator gives the farmer a receipt for the number of bushels that was transferred to the OSF Holy Family Foundation.

4. The grain elevator issues the check for sale of the grain to the OSF Holy Family Foundation along with the "bill of sale" indicating number of bushels and sale price to OSF Holy Family Foundation, 1000 West Harlem Avenue, Monmouth, IL 61462.

5. The OSF Foundation staff sends a thank you letter to the donor indicating number of bushels of grain donated and the market value of the grain on the date of donation. The letter will be verification of the total contribution to the OSF Holy Family Foundation and the amount of the sale.

6. Recognition will be determined by the total value of the grain contributed to OSF Holy Family Foundation.